

## Message Text

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17

ACTION EB-07

INFO OCT-01 EUR-12 EA-07 ISO-00 AID-05 CIAE-00 COME-00

FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03

SP-02 CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15

STR-04 CEA-01 L-03 H-02 PA-01 PRS-01 INT-05 /099 W

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R 100630Z AUG 76

FM AMEMBASSY KUALA LUMPUR

TO SECSTATE WASHDC 4226

INFO AMEMBASSY LONDON

AMEMBASSY SINGAPORE

LIMITED OFFICIAL USE KUALA LUMPUR 4571

E.O. 11652: N/A

TAGS: EMIN, EINV, MY

SUBJECT: LONDON TIN SHAREHOLDERS APPROVE LONDON TIN TAKEOVER

1. ACCORDING TO NEWS REPORT IN NEW STRAITS TIMES, LONDON TIN SHAREHOLDERS WHO CONTROL THE 49 PERCENT OF COMPANY NOT OWNED BY PERNAS OR CHARTER CONSOLIDATED, VOTED OVERWHELMINGLY TO APPROVE PERNAS' TAKEOVER BID. VOTE WAS TAKEN IN EXTRAORDINARY GENERAL MEETING HELD IN LONDON ON JULY 14. THIS CLEARS THE WAY FOR CONTROL OF LONDON TIN TO PASS TO NEW TRADEWINDS SDN. BHD., A JOINT VENTURE BETWEEN PERNAS SECURITIES AND CHARTER CONSOLIDATED. LOCAL TIN INDUSTRY SOURCES ESTIMATE THAT IT WILL TAKE THREE TO SIX MONTHS FOR MERGER TO BE COMPLETED AND FOR THE LONDON TIN GROUP OF COMPANIES TO MOVE THEIR HEADQUARTERS TO MALAYSIA.

2. COMMENT: WITH SUCCESSFUL CONSUMMATION NOW VIRTUALLY ASSURED. TENGKU RAZALEIGH HAMZAH (MALAYSIA'S CONTROVERSIAL FINANCE MINISTER A T ARCHITECT OF LONDON TIN TAKEOVER) CAN CLAIM ALL THE POLITICAL KUDOS GENERATED BY THIS DEAL. GOM NOW WILL CONTROL WORLD'S LARGEST TIN COMPANY WHICH WILL SHIFT  
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ITS HEADQUARTERS FROM LONDON TO KUALA LUMPUR. THIS WAS

ACCOMPLISHED THROUGH NORMAL COMMERCIAL MEANS AND CAN BE  
USED AS DEMONSTRATION OF GOM'S PRAGMATIC ATTITUDE TOWARDS  
FOREIGN INVESTORS. IT ALSO REPRESENTS MAJOR STEP FORWARD  
IN GOM'S NEW ECONOMIC POLICY GOAL OF CONTROL OF MALAYSIA'S  
PRIMARY RESOURCES BY MALAYSIANS. LOCAL SOURCES INDICATE  
THAT WHILE THERE IS UNHAPPINESS AMONG A NUMBER OF EXPATRIATE  
MANAGEMENT AND TECHNICAL PERSONNEL ABOUT POTENTIAL LOSS  
OF JOBS, COMPANIES INVOLVED ARE QUITE PLEASED WITH OUTCOME.  
THEY NOW HAVE GOM AS ACTIVE PARTNER IN ENSURING FUTURE  
SUCCESS OF THEIR COMPANIES AND HAVE HIGH HOPES THAT ADDI-  
TIONAL MINING LEASES WILL NOW BE APPROVED.  
UNDERHILL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TIN, JOINT VENTURES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 AUG 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** coburnhl  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976KUALA04571  
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**Document Unique ID:** 00  
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**TAGS:** EMIN, EINV, MY, UK, PERNAS  
**To:** STATE  
**Type:** TE  
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